
STATE CONTROLLER'S OFFICE
PERSONNEL/PAYROLL SERVICES DIVISION
P.O. Box 942850
Sacramento, CA 94250-5878

DATE: July 8, 2002

PERSONNEL LETTER # 02-013
CIVIL SERVICE ONLY

TO: All Agencies in the Uniform State Payroll System

FROM: RALPH ZENTNER, Acting Chief
Personnel/Payroll Services DivisionRE: **EMPLOYEE RETIREMENT CHANGE**

This Personnel Letter provides information concerning employee retirement changes as a result of collective bargaining agreements effective July 1, 2002.

The employee retirement contribution rate will be reduced by 2.5% for employees in Bargaining Units 05, 06, 07, 08, 10, 12, 16, 18, and 19 and non-represented employees including DPA exempt, statutory exempt, Judicial Council employees with the exception of Judges, non-represented employees in seasonal/temporary classifications, and all STRS members.

ACCOUNT CODES

Below is a chart identifying the affected retirement account codes and old and new retirement rates.

Account Code	Old Rate	New Rate
TB	5.5%	3%
TC	5.5%	3%
07	3.5%	1%
09	3.5%	1%
11	3.5%	1%
24	2.5%	0%
31	5.5%	3%
32	5.5%	3%
33	3.5%	1%
34	3.5%	1%
36	3.5%	1%
37	5.5%	3%
38	5.5%	3%
39	5.5%	3%
43	2.5%	0%
50	5.5%	3%
55	5.5%	3%
56	5.5%	3%
57	5.5%	3%
58	5.5%	3%
67	3.5%	1%
68	3.5%	1%
93	3.5%	1%
97	3.5%	1%
99	2.5%	0%

PROCESSING

The Controller's Office will process an Employment History mass update on the evening of July 8, 2002 to post 505 transactions. Turnaround PARS will be issued from the update and will also reflect the increase for Bargaining Unit 6 identified in DPA Pay Letter 02-13.

Employees with appointment or separation expiration dates prior to July 1, 2002 will not be included in the mass update. Therefore, agencies must determine if the employees are to be re-appointed or separated and key enter the appropriate transaction. If re-appointed, key a 505 transaction effective July 1, 2002 that reflects the correct account code.

The Controller's Office will post 505 transactions to the Employment History Data Base based on transactions processed prior to the July 8 mass update. If an employee's most current transaction reflects an effective date equal to or less than July 1, 2002, the 505 transaction will be posted by the mass update process. If an employee's most recent transaction is effective after July 1, 2002, the 505 transaction will be manually posted by the Controller's Office beginning July 9, 2002. Also, subsequent transactions will be corrected as needed.

Agencies are responsible for updating the Employment History Data Base for transactions keyed after the July 8 mass update. Failure to do so could result in erroneous employee retirement contributions.

CONTACTS

If you have any questions concerning this letter, please contact Lynn Black at (916) 327-3926 or by email at lblack@sco.ca.gov. For PAR documentation, contact the Personnel Liaison Unit at (916) 322-6500. Revisions to the Payroll Procedures Manual and the Personnel Action Manual are forthcoming.

RZ:LB/PMAB